

Message Text

LIMITED OFFICIAL USE

PAGE 01 STATE 084328

21

ORIGIN AF-06

INFO OCT-01 ISO-00 AID-05 CIAE-00 COME-00 EB-07 FRB-03

INR-07 NSAE-00 USIA-06 TRSE-00 XMB-02 OPIC-03 SP-02

CIEP-01 LAB-04 SIL-01 OMB-01 /049 R

DRAFTED BY AF/W:EWLOLLIS/MPH

APPROVED BY AF/W:TWMSSMITH

AF/EPS:LWHITE

USDOC/BIC:RRYDLUN (PHONE)

USIA/IAA:RJONES (SUB)

----- 105090

R 080034Z APR 76

FM SECSTATE WASHDC

TO AMEMBASSY LAGOS

LIMITED OFFICIAL USE STATE 084328

E.O. 11652: N/A

TAGS: EGEN, BBAK, NI

SLBJECT:MEETING OF NIGERIAN-AMERICAN CHAMBER OF COMMERCE

SUMMARY: AMERICAN BUSINESSMEN ACTIVE IN NIGERIA MET APRIL 6 TO HEAR NIGERIAN AMBASSADOR SANU BUT COMPLAINED PRIVATELY ABOUT VARIETY OF PROBLEMS, ESPECIALLY NEW TRADE RESTRICTIONS.

BEGIN UNCLASSIFIED

1. NIGERIAN AMBASSADOR SANU SPOKE APRIL 6 IN NEW YORK CITY TO THE FIRST LUNCHEON MEETING OF THE NIGERIAN-AMERICAN CHAMBER OF COMMERCE SINCE JUNE 1975. AUDIENCE CONSISTED OF WELL OVER ONE HUNDRED BUSINESSMEN AND INCLUDED DEPOFF, USIA REPORTER, AND INTERNATIONAL TRADE SPECIALIST OF USDOC DISTRICT OFFICE IN NEW YORK. (GUEST LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 STATE 084328

LIST BEING POUCHED.)

2. SANU'S SPEECH WAS FOR MOST PART A ROUTINE DESCRIPTION ECONOMIC MEASURES RECENTLY ANNOUNCED BY HEAD OF STATE (LAGOS 3961). HE SAID FY 1975-76 HAD BEEN A BAD YEAR ECONOMICALLY; OIL PRODUCTION WAS DOWN PRIMARILY DUE TO WORLD RECESSION BUT IN PART DUE TO CONSERVATION PRACTICES OF FMG. HE SAID NIGERIAN RESERVES WOULD REMAIN AT CURRENT LEVEL (\$4.92 BILLION) DURING 1976-77. CURRENT OIL PRODUCTION (2 MILLION B/D) IS JUST ENOUGH TO SUPPORT 1976-77 BUDGET (\$9.2 BILLION) AND QUOTE TO CONTINUE OUR PROGRESS TOWARD BECOMING SELF-SUFFICIENT AND SELF-RELIANT. UNQUOTE. SANU REAFFIRMED FMG DESIRE FOR FOREIGN INVESTMENT AND INTENTION TO HONOR ITS OBLIGATIONS. HE RECEIVED NINE POLITE QUESTIONS ABOUT BANKING REGULATIONS, PORT CONGESTION, FESTAC (ASKED BY OLATUNJI, THE DRUMMER), INDIGENIZATION, AND OVERLAND TRANSPORT FROM GHANA. IN REPLY TO LAST QUESTION, SANU SAID FMG HAS MADE ARRANGEMENTS TO COMPENSATE GHANA, TOGO, AND BENIN FOR FMG GOODS WHICH PASS OVER THEIR ROADS, BUT PRIVATE SECTOR IMPORTS BY THIS ROUTE WOULD BE FREE OF THE ADDED CHARGE.

3. CHAMBER PRESIDENT GARBARINO ANNOUNCED THAT SANU HAS AGREED TO PARTICIPATE IN SERIES OF SMALL, INFORMAL MEETINGS TO DISCUSS PROBLEMS BEING ENCOUNTERED BY SOME BUSINESSES. END UNCLASSIFIED.

BEGIN LIMITED OFFICIAL USE

4. POLITENESS OF THE LUNCHEON PROGRAM CONTRASTED WITH PRIVATE REMARKS OF MANY GUESTS. ONE EXPORTER CIRCULATED COPIES OF NEW NIGERIAN IMPORT REGULATIONS AND LIST OF NEWLY PROHIBITED IMPORTS. (HIS COPIES HAD BEEN OBTAINED VIA LEVENTIS LONDON.) UNDISGUISED PROTECTIONISM OF THE PROHIBITED LIST AND THE NEW REGULATION WHICH EXCLUDES GOODS MARKED WITH QUOTE IMPERIAL UNQUOTE WEIGHTS AND MEASURES WERE WIDELY CRITICIZED (STATE 081691).

5. THE BANKERS WERE UPSET BY NEW REGULATIONS WHICH CANCEL MERCHANT BANKS' RIGHT TO ACQUIRE FOREIGN EXCHANGE
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 STATE 084328

AND FORCE THEM TO CUT BACK OR END ALL SHORT-TERM LENDING. THEY ALSO EXPRESSED CONCERN ABOUT NEW TRADE REGULATIONS, WHICH THEY HAVE NOT YET SEEN, REQUIRING PAYMENT ONLY ON RECEIPT OF GOODS AND ENDING CONSIGNMENT OF GOODS VIA BANKS (STATE 078811). ONE BANKER SAID THESE REQUIREMENTS COULD BE AS ONEROUS AS THE EXCHANGE CONTROL REGULATIONS WHICH PREVAILED PRIOR TO 1973.

6. TWO REPRESENTATIVES OF THE AMERICAN INTERNATIONAL GROUP MET BY PREARRANGEMENT WITH AMBASSADOR SANU AFTER THE LUNCHEON TO REGISTER THEIR UNHAPPINESS WITH THE THREATENED TAKEOVER OF 49 PERCENT OF THE AMERICAN INTERNATIONAL INSURANCE CO. IN NIGERIA (SEPTEL).

7. REPRESENTATIVES OF WESTINGHOUSE TCOM AND CE TEC PRIVATELY EXPRESSED SATISFACTION WITH HUGE CONTRACTS THEY RECENTLY OBTAINED FROM FMG FOR TELECOMMUNICATIONS AND MILITARY CONSTRUCTION.

8. DEPOFF AND USDOC REP VISITED THE NIGERIAN CONSULATE GENERAL TO MEET WITH ECONOMIC COUNSELOR BORODO (ANI'S REPLACEMENT) AND COMMERCIAL OFFICER MAKANJUOLA (WHO IS RESPONSIBLE FOR FMG COMMERCIAL WORK IN US). MAKANJUOLA SAID FMG HAS JUST ISSUED OR WILL SOON ISSUE DECREE ESTABLISHING TRADE CENTERS IN LONDON, BRUSSELS, AND NEW YORK. PRIMARY PURPOSE OF THE CENTERS WOULD BE PROMOTION OF NIGERIAN EXPORTS, BUT THEY WOULD ALSO TRY TO ATTRACT FOREIGN INVESTMENT.

9. ACTION REQUESTED: PLEASE REPORT TRADE CENTER DECREE IF AND WHEN ISSUED. WHAT IS STATUS OF THE US REQUEST CIRCA 1972 TO ESTABLISH TRADE DEVELOPMENT CENTER IN LAGOS, I.E. DID FMG REPLY, DID EMBASSY WITHDRAW REQUEST, OR IS IT STILL UNANSWERED? END LIMITED OFFICIAL USE.

KISSINGER

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptoning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: BUSINESSMEN, INVESTMENT CLIMATE, TRADE CONTROLS, MEETINGS
Control Number: n/a
Copy: SINGLE
Draft Date: 08 APR 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: ElyME
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976STATE084328
Document Source: CORE
Document Unique ID: 00
Drafter: EWLOLLIS/MPH
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D760132-1079
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19760482/aaaacsct.tel
Line Count: 142
Locator: TEXT ON-LINE, ON MICROFILM
Office: ORIGIN AF
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: ElyME
Review Comment: n/a
Review Content Flags:
Review Date: 05 APR 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <05 APR 2004 by ShawDG>; APPROVED <10 SEP 2004 by ElyME>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: n/a
TAGS: EGEN, BBAK, NI, (SANU)
To: LAGOS
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006